

# INFORMATION LETTER

Not for  
Publication

NATIONAL CANNERS ASSOCIATION

For Members  
Only

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August 15, 1936

## CANNING CROP CONDITIONS

### Continued Heat and Drought Cause Further Deterioration in Many Districts

**MAINE.**—The snap bean crop has been cut by dry weather. The pack will undoubtedly be below normal. The quality of the pack, however, is reported to be very good. Corn prospects in general continue to be good, but dry weather is cutting the pack in some sections, as reported by the Maine Canners Association.

**NEW YORK.**—Prospects for corn in New York State continue to be very poor because of dry weather. Canners estimate the pack will be less than 50 per cent of normal. The damage appears to be equally bad for all varieties. Snap beans have not suffered so much as corn. Condition of the tomato crop is fair.

**TRI-STATES.**—The corn pack is in full swing in Maryland and yields are reported to be good. Some plants have begun to pack tomatoes in southern Maryland. Yields are reported to be very good, but prospects for continuation of the crop are only fair.

**OHIO.**—Corn and tomato prospects in the northern part of the state were reported to be fairly good a week ago, but the crop has deteriorated materially during the past week. The major portion of the corn area continues very dry. Yields of early corn are very short. Country Gentleman is also reported to be damaged about as much as early varieties. A few plants on the eastern fringe of the corn district have reported fair yields but all corn is yielding very low in cases per acre because of shallow kernels and poor cut-off.

**INDIANA.**—The government report as of August 1 gives the condition and prospective production of tomatoes in Indiana as very good. Since the first of the month, however, the crop has deteriorated 25 or 30 per cent. The Indiana Canners Association reports that most of the plants that started operating the first of the week have now closed down. It is reliably estimated that the pack from the early crop of tomatoes will be very short. Vines are drying and bloom dropping, thus injuring very materially the prospects for a late crop.

**ILLINOIS.**—Yields of early varieties of corn in eastern Illinois are reported to be very low. Many fields are so poor that they are not being harvested. In the central part of the state corn is yielding about one-third of average. Late varieties have also been damaged very materially.

**WISCONSIN.**—There has been no improvement during the past week in prospects for canning crops in Wisconsin. Corn continues to be very poor; snap beans and beets are also materially damaged by dry weather.

**MINNESOTA.**—Minnesota, with a rainfall of only 27 per cent of normal during July and practically no rain during the first half of August, continues to report material damage

to the corn crop. It is reliably estimated that yields will be only about 30 per cent of normal.

**IOWA.**—During July Iowa received only 13 per cent of a normal rainfall. The central part of the state has had one or two good rains since the first of August, but extreme heat during the period of tasseling destroyed much of the pollen so that yields have been reduced very materially. Southern and western sections of the state report a complete failure in the corn crop.

**OZARK TERRITORY.**—Canners in the Ozark territory estimate the tomato pack at about 40 to 50 per cent of last year, when about 1,500,000 cases were packed. The early setting of tomatoes was very light. Dry, hot weather has prevented the setting of blooms for the late crop.

## TRADE PRACTICE COMMITTEE MEETS

### Begins Study of Subjects on Which Trade Practice Rules May Be Formulated

Progress toward the formulation of trade practice rules for the canning industry for submission to the Federal Trade Commission under its trade practice conference procedure was made by the Trade Practice Committee at a meeting held in the Association's office in Washington on August 13th. The personnel of the committee, which organized by the election of Ralph O. Dulany, of Fruitland, Md., as chairman and Robert C. Paulus of Salem, Oregon, as vice chairman, was announced in the INFORMATION LETTER for August 8th.

Preliminary to work on proposed fair trade rules, Judge J. Harry Covington and H. Thomas Austern, of counsel for the Association, reviewed the procedure followed by the Federal Trade Commission in handling its work, particularly that of the trade practice conferences. Mr. Henry Miller, assistant director of the Trade Practice Division of the Federal Trade Commission, also addressed the committee and gave further information as to the scope of the Division's work, its method of handling applications for hearings, etc.

Counsel for the Association laid before the committee a memorandum outlining nine subjects as examples of those upon which it might be considered desirable to formulate rules.

The committee agreed that it should not ask the Board of Directors to take action toward formal application to the Federal Trade Commission for a trade practice conference until the committee had made further study of rules that might be formulated on the various subjects. Any rules the Trade Practice Committee may prepare will go first to the Board of Directors for approval and for such action as the Board may take with respect to their submission to the Federal Trade Commission.

## GOVERNMENT CROP REPORTS

## Estimates of Canning Crop Production Based Upon Conditions as of August 1st

The following statements summarize the current releases by the U. S. Bureau of Agricultural Economics on certain commercial canning crops, the information relating to reported conditions on August 1.

## Snap Beans

The August 1 reports from canners point to a total production of snap beans for canning or manufacture in 1936 of 68,040 tons. This indicated production is about 16 per cent below the production of 1935 and nearly 7 per cent less than the average production for the 5-year period (1928-32).

Drought conditions, which by July 15 had already curtailed production prospects in many important States, continued during the latter part of July. From a yield of 1.34 tons per acre, which was in prospect on July 1, prospects declined until the indications on August 1 point to an average yield for the country of 1.25 tons. Much of this deterioration was evident from conditions reported on July 15.

In Indiana and Wisconsin the prolonged period of hot, dry weather has reduced prospects to a point where an average yield considerably less than 1 ton per acre is indicated. New York, Michigan, South Carolina, Tennessee, Arkansas, Louisiana, Colorado, Utah, and Washington yields are now indicated below average.

State	Acreage		Production	
	Har-		1936	
	vested	Planted	Indi-	
	1935	1936	cated	
	Acres	Acres	Tons	Tons
Maine	950	950	2,700	2,470
New York	7,400	7,900	12,600	9,480
Pennsylvania	1,710	2,000	2,000	2,400
Indiana	3,500	2,500	3,800	1,000
Michigan	4,850	5,700	8,700	6,270
Wisconsin	6,300	6,200	10,100	4,340
Delaware	1,000	900	1,400	1,080
Maryland	9,500	10,000	13,300	14,000
South Carolina	350	500	350	350
Tennessee	1,200	1,600	1,800	800
Mississippi	1,540	1,800	1,200	1,440
Arkansas	1,500	2,800	1,500	560
Louisiana	580	700	600	560
Colorado	1,100	900	2,900	2,160
Utah	580	700	1,900	1,960
Washington	760	770	2,000	2,620
Oregon	1,100	1,300	6,200	5,980
California	540	640	2,800	3,200
Other States *	5,130	6,460	5,600	7,370
Total	49,590	54,320	81,450	68,040

\* "Other States" include: Alabama, Florida, Georgia, Idaho, Illinois, Iowa, Kansas, Kentucky, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, North Carolina, Ohio, Oklahoma, Texas, Vermont, Virginia, West Virginia, Wyoming.

## Sweet Corn

Condition and probable yield reports received from canners indicate that on August 1 the estimated production of sweet

corn for canning or manufacture is 38 per cent below production in 1935, and 15 per cent below the 5-year average. Total production is indicated to be 536,400 tons this year, compared with 859,840 harvested in 1935, and the 5-year (1928-32) average production of 628,000 tons. The prolonged period of hot, dry weather has seriously impaired prospects in all important middle western and central States that produce sweet corn for canning, especially in Indiana, Michigan, Nebraska, Iowa, Illinois, Ohio, and Tennessee. However, in Maine growing conditions have been favorable and yields promise to be considerably above average.

The average yield for all States is estimated to be 1.26 tons per acre, compared with 2.14 in 1935 and the 10-year (1923-32) average yield of 2.13 tons per acre.

State	Acreage		Production	
	Har-		1936	
	vested	Planted	Indi-	
	1935	1936	1935	cated
	Acres	Acres	Tons	Tons
Maine	14,700	16,300	50,000	60,300
New Hampshire	950	820	2,700	2,200
Vermont	1,150	1,350	3,100	3,200
New York	21,000	25,000	50,400	37,500
Pennsylvania	6,400	6,500	10,200	11,000
Ohio	26,400	27,800	55,400	27,800
Indiana	49,700	52,000	84,500	41,600
Illinois	90,000	92,000	198,000	92,000
Michigan	6,000	8,460	7,200	6,800
Wisconsin	17,100	19,800	42,750	23,800
Minnesota	66,000	76,600	151,800	91,900
Iowa	48,000	47,000	105,600	51,700
Nebraska	5,000	4,800	4,500	2,400
Delaware	2,800	2,800	7,300	7,000
Maryland	33,600	31,000	60,500	55,800
Tennessee	3,100	3,100	7,100	1,600
Other States *	9,600	10,240	18,790	19,800
Total	401,500	425,570	859,840	536,400

\* "Other States" include: Colorado, Idaho, Kansas, Kentucky, Missouri, Montana, Oklahoma, Oregon, South Dakota, Texas, Virginia, Washington, and Wyoming.

## Tomatoes

August 1 condition and reports on the probable yield of tomatoes for manufacture indicate a total production of 1,719,200 tons for 1936. This compares with a total production for 1935 of 1,689,000 (revised) tons and an average production for the 5-year (1928-32) period of 1,293,020 tons.

The average yield indicated by August 1 reports is 3.77 tons per acre, which compares with 3.60 tons in 1935, and 4.21 tons per acre for the 10-year (1923-32) period. In important States of Arkansas, Missouri, Iowa, Kentucky, and Tennessee the drought has reduced prospects to yields ranging from 0.8 ton to 1.9 tons per acre. In Indiana, Illinois, Michigan, New York, and Ohio development of the crop is now in its critical stage, and the final production will depend upon growing conditions during the remainder of the season. Important factors which may influence production are rainfall, the possibility of early frosts, and damage by insects. In California the increased acreage this year, and fair yields in evidence, now indicate prospects for a record pack in that State.

State	Acreage		Production	
	Harvested 1935	Planted 1936	1935	Indicated 1936
	<i>Acres</i>	<i>Acres</i>	<i>Tons</i>	<i>Tons</i>
New York .....	19,000	19,750	131,100	100,700
New Jersey .....	32,600	36,000	163,000	165,600
Pennsylvania .....	10,300	12,600	48,400	55,400
Ohio .....	17,000	18,000	81,600	108,000
Indiana .....	97,300	98,300	321,100	334,200
Illinois .....	13,800	14,100	33,100	33,800
Michigan .....	3,750	4,500	15,800	27,900
Iowa .....	7,000	6,400	11,200	12,200
Missouri .....	18,000	16,560	18,000	16,600
Delaware .....	14,400	13,000	49,000	46,800
Maryland .....	64,300	56,100	225,000	207,600
Virginia .....	25,000	16,000	90,000	36,800
Kentucky .....	7,900	6,300	15,800	12,000
Tennessee .....	10,400	7,800	21,800	14,000
Arkansas .....	22,000	17,750	24,200	14,200
Colorado .....	3,200	3,500	17,000	24,500
Utah .....	6,200	7,000	31,600	60,900
California .....	69,650	76,120	313,400	380,600
Other States * .....	26,830	26,090	77,900	67,400
Total .....	468,630	455,870	1,689,000	1,719,200

\* "Other States" include: Connecticut, Florida, Georgia, Idaho, Kansas, Louisiana, Minnesota, Mississippi, Nebraska, New Mexico, North Carolina, Oklahoma, Oregon, South Carolina, Texas, Washington, West Virginia, and Wisconsin.

#### Green Lima Beans

Condition of green lima beans for canning or manufacture on August 1 was reported at 77.3 per cent of normal. The condition on August 1, 1935, was 79.5 per cent, and for the 3-year period (1930-32) it was 73.0 per cent of normal. During the last two weeks in July, the effects of more favorable growing conditions in Delaware and Maryland were about offset by the drought affecting the crop in Michigan.

#### Beets

Reported condition of beets for canning on August 1 was 55.6 per cent of normal. This compares with 77.6 per cent reported on August 1, 1935, and 77.8 per cent of normal for the 3-year period (1930-32) on that date. Conditions continued to decline during the last two weeks of July in all important States except Oregon.

#### Cabbage for Sauerkraut

August 1 condition of the crop was 60.9 per cent of normal. On August 1, 1935, the condition was 86.1 per cent, and for the 10-year period (1923-32) on this date it was 82.4 per cent of normal.

#### Cucumbers for Pickles

August 1 reported condition of cucumbers for pickles was 70.2 per cent of normal. In 1935 on August 1 the condition averaged 80.9 per cent of normal and for the 10-year period (1923-32) on August 1 the condition averaged 77.3 per cent.

### TAX ON FRUIT JUICES

#### Court of Claims Decision on 1932 Revenue Act Arouses Cannery Interest

Inquiries have come to the Association regarding the possibility of securing refunds of the Federal taxes paid on fruit

juices under the Revenue Act of 1932. The taxes were repealed by the Revenue Act of 1934.

Interest in the question has arisen, apparently, from a recent decision of the Court of Claims in the case of the Horn and Hardart Co. v. United States holding that Section 615 of the Revenue Act of 1932 imposing a tax upon all "unfermented fruit juices \* \* \* in natural or slightly concentrated form" was not applicable to pure orange juice served in its natural form to customers in a restaurant as part of a meal. The basis of the decision is that Congress, in enacting this statute, intended to tax only such fruit juices as were intended for consumption as a beverage with the addition of water, or water and sugar, and that the Act was not intended to cover fruit juices designed for consumption in their natural state.

In the past few years a number of claims for refund have been filed with the Bureau of Internal Revenue on the ground that this statute was not applicable to fruit juices intended for consumption in their natural state, but these claims have been uniformly refused. The decision of the Court of Claims is the first court case which has sustained the contention of the fruit juice manufacturers. It should be noted that this case deals only with fruit juices sold in restaurants. Cannery are, of course, interested in whether the language of the decision is likewise applicable to fruit juices put up in cans and sold through grocery stores.

### CONFERENCE ON FIBER CONTAINERS

#### Cannery Urged to Study and Submit Views on Proposed Change in Specifications

The revision of specifications for fiber boxes for canned foods proposed by the Official Classification Committee was discussed at an informal meeting in New York on August 1st, at which were present the chairmen of the Official and the Southern Classification Committees, and representatives of the National-American Wholesale Grocers Association, the National Cannery Association, and individual canning companies.

Chairman Greenly explained that the proposed revision is based upon an extended study of claims which indicated the need of higher specifications than now required, and that the purpose of the revision is to bring about improvement without placing an undue burden upon the shippers. He called attention to several proposed additions to the revision as published in the INFORMATION LETTER for August 1st, one of which would eliminate the use of A flute board. Another under consideration is a requirement that one side of Kraft liners be water finished.

Most of the discussion developed around a comparison of the specifications proposed by the Committee and those proposed some weeks ago in an announcement by the National-American Wholesale Grocers Association.

The revision as it will appear on the docket for hearing in October will be issued the first part of September. Hearings will be held at Atlanta, Chicago, and New York, at which full opportunity will be given to present views. Cannery are urged to make a careful study of the specifications as published in the INFORMATION LETTER for August 1st and to send to the Association their views with respect to the proposed revision.



### UNSOLD STOCKS OF CANNED SALMON ON JULY 31ST

The following figures on unsold salmon stocks as of June 30 and July 31, 1936, compiled by the Association of Pacific Fisheries, are based upon reports from 72 companies producing approximately 98 per cent of the 1935 pack. No figures were collected for stocks on hand as of July 31, 1935. *The figures in the table do not include the 1936 pack.*

Grades or Varieties	Tails (1 pound) Cases	Flats (1 pound) Cases	Halves (8 doz.) Cases	Total July 31, 1936 Cases	Total June 30, 1936 Cases
Chinooks or Kings:					
Fancy Red	865	5,930	14,116	20,913	24,894
Standard	270	5,565	12,896	18,731	20,985
Pale	1,718	—	44	1,762	2,676
White	229	33	4	266	341
Puget Sound Sockeyes	8,778	40	34,937	43,755	51,900
Alaska Reds	48,447	3,587	20,461	72,495	150,298
Cohoos, Silvers, Medium Reds	4,133	13,354	3,781	21,268	33,898
Pinks	126,964	1,246	17,905	146,115	480,236
Chums	18,013	—	1,575	19,588	98,031
Bluebacks	—	—	—	—	12
Steelheads	35	1,272	3,133	4,440	4,870
Total	209,452	31,027	108,854	349,333	868,141

### Hallowe'en Recipe Leaflet Issued

The Home Economics Division has issued a leaflet entitled "All Hallowe'en" which is being sent to the members this week with the INFORMATION LETTER. Many requests have been received for recipes for special occasions and this will help women plan their Hallowe'en parties. Additional copies may be obtained by writing to the Division.

TER for November 30, 1935) is extended from September 1, 1936, to September 1, 1937. This extension of date, however, does not apply to fruit which fails to meet the 8 to 1 ratio or which fails to comply with other specified limitations which have been established by the Florida State Commissioner of Agriculture.

### Rain and Temperature Records

The following table gives the average temperature and total rainfall for the principal growing districts for each of the last two weeks, as shown by the U. S. Weather Bureau reports for selected stations in these districts:

District	Week ended Aug. 4, 1936		Week ended Aug. 11, 1936	
	Temp.	Rain	Temp.	Rain
Maine	72	.1	68	.6
Western New York	72	.3	72	1.1
Tri-States	77	.0	76	.9
South Central Ohio	75	.0	76	.3
Central Indiana	76	.1	77	.1
Central Illinois	76	.0	75	1.1
Northern Illinois, Southern Wisconsin	74	.0	75	.3
Southern Minnesota	74	.0	76	.0
Northern Colorado	70	1.7	73	.5
Northern Utah	78	.0	79	.3
Northwestern Washington	68	.0	67	.0
Southeastern Washington	79	.0	79	.0

### Practice of Coloring Oranges To Be Continued

The Secretary of Agriculture has issued a press release, dated August 6th, stating that in view of a recent act of the legislature of Florida creating a commission with power to promulgate regulations for the control of citrus packing and marketing operations by the State Commissioner of Agriculture, the effective date of the prohibition of interstate shipment of artificially colored oranges (see INFORMATION LET-

### Fruit and Vegetable Market Competition

Carlot Shipments as Reported by the Bureau of Agricultural Economics, Department of Agriculture

VEGETABLES	Week ending			Season total to	
	Aug. 8 1935	Aug. 8 1936	Aug. 1 1936	Aug. 8 1935	Aug. 8 1936
Beans, snap and lima	16	47	34	9,455	7,826
Tomatoes	92	186	221	18,639	18,292
Green peas	226	252	278	5,586	5,779
Spinach	3	1	9	5,475	7,443
Others, domestic competing directly	1,304	1,510	1,854	94,870	108,345
FRUITS					
Citrus, domestic	2,014	1,505	1,833	134,075	118,318
Imports	14	21	5	14	24
Others, domestic	2,947	4,425	5,420	21,084	26,436

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